

### **REMARKS**

Favorable reconsideration of this application in light of the following discussion is respectfully requested.

Claims 1-10, 21-30, and 44-49 are presently active in this case. Claims 11-20, and 31-43 were cancelled in response to a restriction requirement. The present Amendment amends Claims 1, 9, 21, 29 and 44 and adds new Claims 47-49 without introducing any new matter.

The November 12, 2009 Office Action rejected Claims 1-10, 21-30, and 44-46 over the grounds of the non-statutory, obviousness-type, double-patenting doctrine, as being unpatentable over Claims 1, 4, and 12-21 over the co-pending Application with the Serial No. 10/594,993. Claims 21-30 and 44-46 were rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. Claims 21-30 and 44-46 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Claims 1-10 and 21-30 were rejected under 35 U.S.C. § 103 as being unpatentable over Flagg (U.S. Patent No. 6,456,979) in view of Moller et al. (BMJ medical journal publication, 1995, vol. 310, pp. 1500-1501, hereinafter "Moller".)

New Claims 47-49 are added, depending from Claims 3, 23, and 45, respectively. New Claims recite feature related to blood pressures, and they find non-limiting support in Applicants' disclosure as originally filed, for example in the specification at page 13, lines 9-14. No new matter has been added.

In response to the obviousness-type double-patenting rejection over the co-pending Application with the Serial No. 10/594,993, Applicants herewith file a Terminal Disclaimer against Application Serial No. 10/594,993. However, Applicants also submit that the filing of a terminal disclaimer is not an admission of the propriety of the double-patenting rejection.

*Quad Environmental Technologies Corp. v. Union Sanitary District*, 946 F.2d 870, 20 USPQ2d 1392 (Fed. Cir. 1991).

In response to the rejection of Claims 21-30 and 44-46 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement, Applicants respectfully traverse the rejection, because the functional units of the body of the claim are clearly described in Applicants' disclosure as originally filed, as next discussed.

First, the claimed units are described as functional units that can be performed by a computerized system, as described in the specification at page 3, lines 19-20, page 4, lines 17-19, where the flowchart of Figure 1 depicts a method/system with the different computational steps or blocks. In addition, the specification explains at page 5, lines 10-12 that the elements of the flowchart in Figure 1 are "processing blocks." As a particular example, the "identifying unit for identifying one or more risk classes associated with the plurality of financial products" as recited in independent Claim 21, is described as a processing block 10 can identify and classify individual risk classes, based on different criteria, as a non-limiting example "systolic blood pressure," etc. (See specification, p. 5, lines 10-15.)

Moreover, regarding the use of the word "unit" instead of using the expression "block" as noted in the specification, Applicants respectfully submit that the use of the expression "unit" is inherent to the disclosure as originally filed, and Applicants are also entitled to be their own lexicographers. M.P.E.P. § 2111.01 IV. *See also In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (inventor may define specific terms used to describe invention, but must do so "with reasonable clarity, deliberateness, and precision".)

As discussed above, the specification makes it clear that certain units or blocks are implemented on a computer system that provide a certain function. Because this terms are clear and not uncommon to one of ordinary skill in the computer algorithm art, Applicants

believe that these expressions are supported by the disclosure as originally filed. It is established case law that there is no “*in haec verba*” requirement, newly added claim limitations must be supported in the specification through express, ***implicit, or inherent*** disclosure.” M.P.E.P. § 2163 I B (emphasis added). *See also In re Oda*, 443 F.2d 1200 (CCPA 1971). As discussed above, the functional units of Claim 21 are clearly implicit to the specification as originally filed. In light of the above comments, Applicants respectfully traverse the rejection of the claims under 35 U.S.C. § 112, first paragraph.

In response to the rejection of Applicants’ Claims 21-30 and 44-46 under 35 U.S.C. § 112, second paragraph, as being indefinite, Applicants respectfully traverse the rejection. The test to reject claims under this section of the patent code is to evaluate whether there are “one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.” (35 U.S.C. § 112, second paragraph, portions omitted.) Applicants specification and the figures clearly describe the functional units that are recited in independent Claim 21, as discussed above with respect to the traversal of the rejection under 35 U.S.C. § 112, first paragraph. For example, the “dividing unit for dividing the expected occurrence rates by an average rate to determine a relative risk ratio for each of the risk classes” is described in Applicants’ specification. For example, Applicants’ Figure 3 shows in element 56 a functional unit that is labeled “Calculate base relative risk ratio (RRR) for each risk class.” (See specification, p. 9, ll. 2-4.) Moreover, the specification describes more detail how the RRRs are calculated, see for example in the specification starting at page 11, line 1. It is clear from this description that a division is performed, for example see the formulas on page 12 of Applicants’ specification. Moreover, in light of this description in Applicants’ disclosure, it is clear that one of ordinary skill in digital data processing and algorithm art would be able to program a computer system to implement a “dividing unit for

dividing the expected occurrence rates by an average rate to determine a relative risk ratio for each of the risk classes,” based on Applicants’ specification.

Accordingly, Applicants respectfully traverse the rejection under 35 U.S.C. § 112, second paragraph, and request reconsideration thereof.

Regarding the assertion in the pending Office Action that the claim features merely represent “intended use language” and that the features are not “positively claimed,” Applicants traverse this statement. (Office Action, p. 12, ll. 18-21.) The Office Action is basically asserting by a conclusionary statement that the functional units performing a specific data transformation function merely indicate “intended use,” without citing any authority as to why such language could be considered a non-limiting intended use wording. This reasoning is improper, as next discussed.

“Intended use” or “field of use” statements in a claim language are statements that indicate in which context, application, or environment a specific claim or claim element is to be used, without providing any further limitations to the structure of the claim. As an example, a phrase in the claim drawn to a head for a lacrosse stick stating “which provides improved playing and handling characteristics” is an intended use statement and was not considered a claim limitation. *STX LLC. v. Brine*, 211 F.3d 588, 591, 54 USPQ2d 1347, 1350 (Fed. Cir. 2000).

In contrast, Applicants’ system Claim 21 has multiple claim elements that are functional units performing a specific function, that limit the specific claim element to be configured to perform such a function. For example, Applicants’ Claim 20 requires a determining unit that determines, for each of the risk classes, an expected occurrence rate. In other words, based on data that defines “risk classes,” a data transformation takes place to output “an expected occurrence rate,” being a different type of data with specific information for a user. Such data transformation has been held as being the key to define patentable

subject matter, by setting forth a *structural limitation* of the claim element for software/computer algorithms. See *In re Bilski*, 545 F.3d 943 at 962.

Accordingly, Applicants respectfully traverse the statement that Applicants' claim elements merely recite an "intended use." If the reasoning of the pending Office Action would be followed, any functional description of a claim element would not limit the scope of the claim, because it would be considered intended use. This reasoning is clearly erroneous.

In response to the rejection of Applicants' independent Claim 1 under 35 U.S.C. § 103(a), Claim 1 is amended to further recite features related to the comparing of relative risk ratios and the correlated risk ratios to empirical data, as a non-limiting example the empirical data could be data that is available from other insurance companies. In particular, Applicants' independent Claim 1 now requires the following features:

- comparing the relative risk ratios and the correlated risk ratios by the processor with empirical data to generate comparative risk data to characterize the relative risks associated with the plurality of products;
- correcting the relative risk ratios in a case there the comparative risk data is out of a defined range compared to the empirical data; and
- storing the corrected risk ratios to a storage unit of the computer.

(Claim 1, portions omitted.) These features find non-limiting support in Applicants' disclosure as originally filed, for example in the specification at page 8, lines 8-17, page 10, lines 1-8, and at page 14, lines 1-11. Independent Claims 21 and 44 are amended to recite an analogous feature in the context of the respective claim language. No new matter has been added by these amendments. Moreover, dependent Claims 9 and 29 are amended to reflect the changes made to independent Claims 1 and 21, respectively.

In response to the rejection of Claims 1-10 under 35 U.S.C. § 103(a), in light of the amendments to the independent claims, Applicants respectfully request reconsideration of this rejection and traverses the rejection, as discussed next.

Briefly summarizing, Applicants' independent Claim 1 is directed to a method of characterizing relative risks associated with a plurality of financial products performed on a computer having a processor. The method includes the steps of identifying one or more risk classes associated with the plurality of financial products by using an input device of the computer, determining, for each of the risk classes, an expected occurrence rate by the processor, dividing the expected occurrence rates determined by said step of determining by an average rate by the processor to determine a relative risk ratio for each of the risk classes, calculating correlated risk ratios between at least two of the risk classes that are identified in said step of identifying to determine a dependence between the at least two different risk classes, and *comparing the relative risk ratios and the correlated risk ratios by the processor with empirical data to generate comparative risk data to characterize the relative risks associated with the plurality of products; correcting the relative risk ratios in a case there the comparative risk data is out of a defined range compared to the empirical data;* and storing the corrected risk ratios to a storage unit of the computer.

The November 12, 2009 Office Action asserts that Moller teaches features related to the correlation between risk classes, to generate correlated risk ratios. (Office Action, p. 12, ll. 13-17.) In forming this rejection, the pending Office Action points out to Moller's table, where data of relative risks of cancer for 7046 people is represented. (Moller, Table 1.) In particular, the Office Action mentions that the risks represented in column 4 of the Table represent the relative risk ratios of the occurrence of a specific cancer, if Parkinson's disease has been diagnoses. (Office Action, p. 12, ll. 15-17.) However, Moller does not teach the steps of comparing and correcting the data as required by Applicants' amended, independent Claim 1.

Moller is an article that discusses the occurrence of different cancers in patients that have Parkinson's disease. (Flagg, Title.) Moller shows a list of different types of cancer, and

the number of observed cases, and then discloses a relative risk of that a person that has Parkinson's disease may have a specified cancer. (Moller, Table.) However, Moller is silent on the comparing of relative risk ratios and the correlated risk ratios by the processor with empirical data to generate comparative risk data to characterize the relative risks associated with the plurality of products, and a step of correcting the relative risk ratios in a case there the comparative risk data is out of a defined range compared to the empirical data, as required by Applicants' independent Claim 1. No such features are taught by the cited passages of Moller. The cited passages of the reference Flagg fails to remedy the deficiencies of Moller, even if we assume that the combination of these two references is proper.

Therefore, even if the combination of Flagg and Moller is assumed to be proper, the cited passages of the combination fails to teach every element of Applicants' Claim 1. Accordingly, Applicants respectfully traverse, and request reconsideration of this rejection based on these references.

Independent Claims 21 and 44 recite some features that are analogous to the features recited in independent Claim 1 that were argued above, but directed to systems. Accordingly, for the reasons stated above for the patentability of Claim 1, Applicants respectfully submit that the rejections of Claims 21 and 44, and the rejections of all associated dependent claims, are also believed to be overcome in view of the arguments regarding independent Claim 1.

Consequently, in view of the present amendment, no further issues are believed to be outstanding in the present application, and the present application is believed to be in condition for formal Allowance. A Notice of Allowance for Claims 1-10, 21-30, and 44-49 is earnestly solicited.

Should the Examiner deem that any further action is necessary to place this application in even better form for allowance, the Examiner is encouraged to contact Applicants' undersigned representative at the below listed telephone number.

Respectfully submitted,

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